

Traveling expenses incurred in connection with the performance of official duties as an uncompensated officer and member of an organization exempt from Federal income tax under section 501(c)(4) of the Internal Revenue Code of 1954, which is of the type contemplated by section 170(c)(3) of the Code, are deductible as charitable contributions.

Revenue Ruling 55-151, C.B. 1955-1, 28, modified.

Revenue Ruling 55-151, C.B. 1955-1, 28, has been reconsidered in connection with the question whether uncompensated traveling expenses incurred by officers of an organization of war veterans, exempt from Federal income tax under section 501(c)(4) of the Internal Revenue Code of 1954, are deductible by the donors for Federal income tax purposes under the provisions of section 170 of the Code.

Section 170 of the Code provides that in computing the taxable income of an individual there shall be allowed as a deduction any charitable contribution (as defined in subsection (c)) payment of which is made within the taxable year.

Subsection (c) of section 170 of the Code provides in part that the term "charitable contribution" means a contribution or gift to or for the use of--

(3) A post or organization of war veterans or an auxiliary unit or society of, or trust or, foundation for, any such post or organization--

(A) organized in the United States or any of its possession, and

(B) no part of the net earnings of which inures to the benefit of any private shareholder or individual.

Revenue Ruling 55-151, *supra*, holds that traveling expenses incurred in connection with the performance of official duties as an uncompensated officer and member of an organization exempt from Federal income tax under section 501(c)(4) of the Code are not deductible as charitable contributions since the organization is not one to which such contributions are deductible within the meaning of section 170 of the Code.

Upon reconsideration it is held that traveling expenses incurred in connection with the performance of official duties as an uncompensated officer and member of an organization exempt from Federal income tax under section 501(c)(4) of the Code, which is of the type contemplated by section 170(c)(3) of the Code, are deductible as charitable contributions.

To the extent that a war veterans organization, exempt from

Federal income tax under section 501(c)(4) of the Code may be of the type contemplated by section 170(c)(3) of the Code, Revenue Ruling 55-151, *supra*, is modified.